

Miners In Motion

**PROVIDING FOR TODAY,
PROTECTING FOR TOMORROW**

Mine Site Spotlight: Spring Creek Mine

The Spring Creek Mine warehouse staff adds measurable value to Rio Tinto Energy America. The team of four includes Jacque Fletcher (warehouse supervisor), Doug Koltiska (supply support coordinator), Kathy Foss (senior warehouse attendant) and David Williams (warehouse attendant). These employees provide support to maintenance and operations and are fully committed to maintaining a high standard of safety, service and materials handling. Workload and projects are supplemented with an Adecco temp. Purchasing, disposal management and the systems side of inventory control are central functions based in Gillette.

Warehouse Supervisor Jacque Fletcher is responsible for the day-to-day activities of the warehouse. Jacque has been with Spring Creek for more than 2 years. Prior to coming to work at the mine, she worked 18 years in the warehouse at Decker Coal. Her experience also includes accounting and purchasing.

Continued on page 3



► **EXPANSION UPDATE AT
SPRING CREEK MINE. . . . 3**

► **CONGRATULATIONS RICK
FIELD CAMP, ANTELOPE MINE. . . . 5**

► **RTEA SUPPORTS SHERIDAN
YOUTH ORGANIZATION. . . . 8**

Letter from the Executive Team

Nick Taylor - Technical Services and Business Improvement



As I approach the end of my third year at RTEA there are many unknowns in front of all of us as we contemplate the range of possible futures. One of the issues that continues to impress me is the way RTEA employees go about their business in a quiet professional manner in the face of such unknowns, in all areas of the company. Everyone should be proud of the

successes achieved this year, and I'm sure there will be a continued focus on safe efficient operations as we move forward.

The last few months have been a blur of work preparing for the upcoming divestiture—many of you have been involved in the completion of presentations to be provided to various interested parties. We are grateful that these tasks have not compromised the ongoing work of mining coal. We are mindful that our abilities to continue this work may be tested in the near future as activities regarding the divestiture increase over the next few months.

The most high profile success for the Technical Services & Business Improvement (TS&BIP) team over recent weeks has been delivery of the Jacobs Ranch Overland Conveyor, which is now producing great results. The

efforts of Dave Hamlin and his team are much appreciated, particularly by the Jacobs Ranch team which managed a record production month in July.

The most visible area of the TS&BIP team's involvement in the operations is geological, with Tom Suchomel and Mark Arambel managing exploration drilling at all four PRB mines this year, currently completing work at Jacobs Ranch before moving to Antelope. The geotech team (Blake Jones and Mike Hannegan) have also been active across the PRB, and Liz Brown is managing hydrologic studies at Antelope, Jacobs Ranch, and Cordero Rojo, modeling water conditions for future dewatering needs.

The long-term planning group is closely involved in the preparation for the sale and has produced life of mine plans for each site. Mike Fulton is managing the LBA studies for Antelope, Russ Hallcroft is managing both the Health Center construction and LBA studies for Cordero Rojo, with Mike Robinson developing the mine plans. Bob Sheveling is looking at future opportunities at Jacobs Ranch, assisted by Andrea Deml. Jim Nielsen and Ryan Goodnough are completing a feasibility study for future reserves at Spring Creek, and Bob Young is working on a feasibility study for future reserves at Colowyo, with assistance from Jim Nielson.

RTEA's ongoing success will be driven by mining efficiently today, combined with the work of the TS&BIP team who are helping to shape the future direction of the operations. I look forward to our continued commitment to safe and efficient work at RTEA through 2008 and into 2009.

Business Improvement

Spring Creek Mine adds lunch shack and truck ready line at the Carbone Y

Reducing costs and improving the environment are constant goals at Rio Tinto Energy America. Reducing fuel usage and maximizing the operational effectiveness of equipment are also key business goals that helps in a mine's successful expansion. In order to fulfill these goals, Spring Creek Mine's engineering and production groups teamed up to add a lunch shack and truck ready line at the Carbone Y.

The location is just west of the new in-pit crusher and is a strategic location in the mine plan because it is equidistant from pit 4 and the pit 3 B & C ramps.

"Coal is hauled out of these areas daily," BIP Coordinator Joe Spiegel said. "Since these trucks are dumping most of their loads at the in-pit crusher, a lot of value could be gained by having the operators take lunch closer to the Carbone Y area."



Aerial view of the Carbone Y showing the lunch shack/rest room, ready line and in-pit crusher locations.

This project began in mid 2007 with planning, purchasing of the lunch shack, trenching for hard power and running water and installing the hot-start stations and lighting. In the end, the project was a cross-functional effort between



Spring Creek Mine

Spring Creek Mine works to expand truck shop and construct wash facilities

Spring Creek Mine is on the final stage of the expansion plan, which involves building a new truck wash facility and expanding its current shop. These plans will help to accommodate the new 240-ton haul trucks and allows for 400-ton trucks in the future.

Back in 2005, Rio Tinto authorized an overall expansion project that would help the mine increase production from over 13 million tons per year to 18 million tons per year. The expansion included several upgrades to the plant and other facilities and the addition of heavy equipment, such as trucks and support equipment. In 2006, Rio Tinto authorized the expansion of the truck fleet, which resulted in the purchase of eight 240-ton haul trucks. Both projects are near completion, and the truck shop and wash facilities remain.

The project is set for completion in October 2009. The current schedule allows for having the walls up on the shop and truck wash building prior to this coming winter. The following members comprise the Shop Expansion team: Project Manager Patrick Baumann; Safety Representative John Horsley; Construction Manager Joel Grace (Grace Consulting); Electrical Planner Jon Vendela; and General Contractor Big D Construction. Joe Spiegel, BIP Facilitator, has been instrumental in the updates to the lubrication systems.

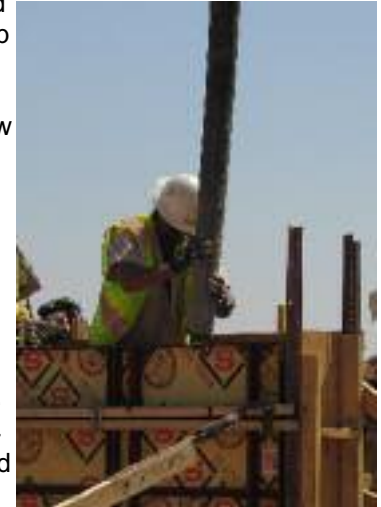
Lubrication system

The new lubrication system has a unique design advantage and offers the benefits of power rewind, float control,

pressure on demand and the pulling or pumping up from the totes. The pumps are positioned so that they are able to draw the lubricants up, which essentially helps to decrease leaks. Flow control meters will also be added so that the number of gallons needed could be entered and the system only delivers the entered amount. The plan is to move the lubrication system into the old wash bay.

The project will entail demolition of the old system, specifying and purchasing the pumps, building a new tote and hose rack, putting the lube area together and incorporating 5S with boards and tooling.

The 5S Champion of the project is Jon Miles and other key players in the project are Steve Warejcka, Jeff Biegel, Pat Kiser, Mark Miller, Bruce Forness and Dane Ashley. The lubrication system upgrade originally started as a 5S project, and the overall goal is to change the area to run more efficiently.



Contractors work to pour the cement walls of the new wash bay.

Spring Creek Mine Warehouse team does an outstanding job

Continued from front page

Supply Support Coordinator Doug Koltiska has 21 years at Spring Creek and 18 years in various warehouse functions. The Supply Support position is a key role and a valuable resource to maintenance. Important aspects of this position include systems knowledge, parts kitting and delivery, parts expediting, parts returns, and on-site coordinator for disposal management.

Senior Warehouse Attendant Kathy Foss has 12 years of mining experience. She began at Jacobs Ranch in 2004 and has worked at Spring Creek Mine for more than 2 years. Kathy is responsible for receiving and shipping goods, cycle counts and general warehouse duties. She is certified on cranes and rigging.

Warehouse Attendant David Williams came to Spring Creek Mine in July 2007 and brings six years of mining experience. In addition to general warehouse duties, David

is certified in water treatment and assists in water management activities. Other certifications include Montana mine foreman and cranes and riggings.

The Spring Creek Mine warehouse is fully attended during normal business hours with open access during nights and weekends. Even though the warehouse is unattended the largest portion of work hours, inventory accuracy is high. The warehouse keeps nearly 58 thousand parts on hand in an effort to avoid lost production due to parts availability.

A February audit observed by PricewaterhouseCoopers demonstrated 99.5 percent accuracy between recorded inventory and what was physically counted. This is an outstanding result.

Pictured on front cover, from left to right: Doug Koltiska, Kathy Foss, David Williams and Jacque Fletcher.

Wellness in Motion

Work Well • Eat Well • Live Well

September is “America on the Move Month”

September is America on the Move's (AOM) month-long celebration of healthy lifestyles. AOM is a national initiative dedicated to helping individuals across the nation make positive changes to improve health and quality of life. AOM strives to support healthy eating and active living habits in our society. This is a month long celebration and AOM provides free web-based programs, tools, and resources to individuals, families, and groups. To sign up go to the following website: <http://aom.americaonthemove.org/>.

Once registered, go to one of the following links to get started:

- **100 ways to Create an Environment for Success**
 - **Success at home:** How to create an environment at home that promotes more movement, tips on how to fill your kitchen with smart food choices, purchasing the right tools for food preparation, enjoying your meals, and feeling full on fewer calories.
 - **Success at work:** Choosing restaurants and foods that support your efforts and tips on how to incorporate exercise/movement while at work.
- **100 ways to add 2,000 steps** - 2,000 steps is equivalent to walking one mile!

- **100 ways to cut 100 calories** - To stop weight gain you need to add 2,000 steps each day and eat 100 fewer calories daily (equivalent to 1 tablespoon of butter).
- **Family Program Toolbox** – The AOM Family Toolbox offers free downloadable materials that will help inspire you and your family to live healthy and more active lives. Here are just some of the activities in this toolbox.
 - Fun with Food
 - Indoor Action Games
 - Outdoor Activities
 - Other Resources
 - My Favorite Activity
 - Trail

This is a great way to get the whole family involved and it's FREE! Please give this a try and together you and your family can make daily changes to living a healthier life. Good luck and, most importantly, have fun!

Continued from page 2
Business Improvement



Pictured left, lunch shack and plumbed restroom as viewed from the westside of Carbone Y looking east towards the complex.

all mine departments, which included engineering, production and maintenance. Senior Engineer Tom Stedtnitz was the chief architect of the plan and Production Planner Guy Mitchell purchased the lunch shack.

“All production crews have seamlessly accepted the new lunch shack and have taken it upon themselves to keep the facility clean and stocked,” Spiegel explained. “In March 2008, we began tracking visits to measure BIP value and the project is helping the mine meet its targets.” To date, the Carbone Y lunch shack has registered over 800 visits, negated nonproductive consumption of over 2,600 gallons of diesel and 72 hours of tire life, spent approximately 100 more hours hauling and not deadheading, and increased throughput by more than 63,000 additional units.

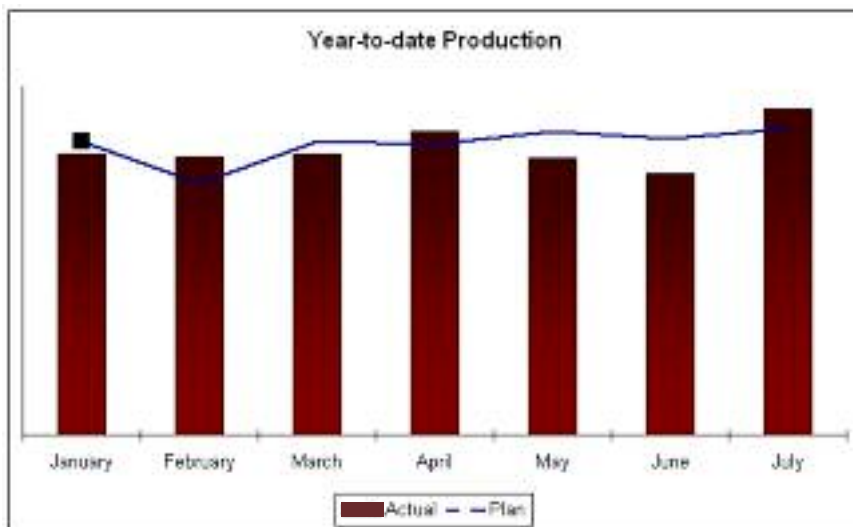
Jacobs Ranch Mine acquires new tire shop



In an effort to improve safety and maintain the trend of increasing tire life, Jacobs Ranch Mine added a new tire shop in July 2008. This new facility will enable employees to work on tires away from the main flow of traffic and gives more space for tires to be worked on. The project has been a collaborative effort of Mike Jarvis, Dale Patterson, Joey Vaccari, Dwight Donner, Morgan Donner, Shawn Hall, Nick Gill and Dave Watt. Also, special thanks to the production department personnel for their dirt work!

Company Performance

Year-to-date production and earnings



Earnings and costs July 2008 YTD vs July 2007 YTD

Earnings are up 38%
Coal prices are up 13%
Diesel price is up 52%
Explosives price is up 13%

CONGRATULATIONS Rick Fieldcamp, Antelope Mine



Rick Fieldcamp was named trainer of the year at the Elko Mine Rescue Competition in July 2008. Each team was asked to write an essay explaining why their trainer should be named trainer of the year. In the nomination letter, Antelope Mine employees wrote, "Rick's dedication to our team has become apparent here lately. Rick has over 400 hours of overtime at our mine site...On a more personal level, Rick understands that family is first for most of us at the mine."

RTEA purchases 5,000 acres of land from AbitibiBowater

On May 27, 2008, Rio Tinto Energy America (RTEA) completed the purchase of approximately 5,000 acres of land from AbitibiBowater, Inc, near Dunlap, Tennessee. The acreage is located in Sequatchie and Van Buren Counties. Sequatchie Valley Coal (SVC), a wholly owned subsidiary of RTEA, maintains environmental obligations within the land tract. This land purchase will help to advance environmental treatments and stewardship actions on-site.

To commemorate the transaction, an on-site gathering of all the people involved in the purchase and sale was arranged in early June. The invited guests represented a wide range of expertise needed for such a purchase. In addition to representatives from RTEA and AbitibiBowater, adjacent landowners, timber and land appraisal consultants, surveying crews, and legal council from the State of Tennessee were present. In recognition of his excellent safety record for work performed at the Sequatchie Valley Coal (SVC) mine site, Roger Gray of Dunlap was presented a nine-year safety award for no reportable incidents or Lost Time Accidents (LTA) while on-site.

Since acquiring the land in 2000, AbitibiBowater managed the forested portions of the property with SVC, fulfilling their environmental and permit obligations for those lands



disturbed from the former mine operation. In early 2007, AbitibiBowater expressed their intention to sell their timberland holdings in the State of Tennessee, including the 5,000 acre tract.

RTEA initiated reclamation activities on the site in 1993. With the purchase, the company will help advance water control, water quality and land stewardship by implementing expanded acid rock drainage controls and long-term management options for the lands.

Community Matters

Employees represent the company at the 4th of July Parade in Gillette



Rio Tinto Energy America (RTEA) employees from Cordero Rojo Mine and the Gillette office represented the company at the 4th of July parade in Gillette. Thank you to the following Cordero Rojo Mine employees who participated: Kelly Coulter and kids (Shelby and Gabe); Diane Solomon; Janice Muirhead; Heather Herr; and MERT members Tyler McLaughlin, Jeremy Geiser, Russ Cage, Josh Tompkins, Santos Cortez, Lyle Foster, Alan Johnson, Kevin Nemec, Paul Prather and Kyle Rogers. RTEA employees who participated included Colin Marshall (and wife Fay and children Sally and Tom), and Heidi Lowe (and husband Bob).

RTEA team raises over \$5,000 for the Gillette Relay for Life



Thank you to the following employees who served on or helped the RTEA Relay for Life committee: (pictured above) Joan Griffith, Michael Barrett, Cris Giffin, Sheila Harcharik, Darla Swander, AJ Tomer, Matthew Swander (Darla Swander's son), Becki Dale, and (not pictured) Kay French, Nicky French (daughter of Kay French), Judi Rauscher, Duane Rauscher (husband to Judi Rauscher), Kyra Simmons, Jamie Lembke, Tricia Walker and Richard Zollinger.

YMCA supports today's youth

Continued from page 8

facilities will be available and drawings will be offered for membership to their facilities and various programs they offer.

Currently the Y provides services to over 10,000 people in the Sheridan community. Campaign contributions and fund-raising make it possible for the Y to adhere to the policy of never turning a child, an individual or a family away because of financial need. Proceeds from their fundraising program, "Give Your Heart to a Child" ensure financial assistance to people in need of such support and program subsidy.

If you would like more information about the services that the Sheridan YMCA provides or would like to contribute you can visit their website at www.sheridanymca.org or contact Jay McGinnis at 307-674-7488.

Did you know?

According to YMCA Executive Director Jay McGinnis, RTEA's contribution has impacted the YMCA by increasing membership and program participation by 10%.

Community Calendar September

Meeker

September 6, Summer Entertainment Series, Courthouse

September 3-7, Sheepdog Trials

Sheridan

September 20-27, Sheridan County YMCA Open House

Gillette

September 6, Rocky Mountain Elk Foundation Banquet

Cam-Plex

To include your RTEA event or RTEA community sponsored event in *Miners in Motion*, please contact Kay French at (307) 685-6103 or Kay.French@riotinto.com.

Electrical apprentices graduate and new class of employees accepted into program

The first class of RTEA Electrical Apprentices has graduated from the Gillette College in the Industrial Electronics Program. Ben Josephson, Anthony Alvarado, Paul Prather and Steve Brenner have successfully completed the two-year associate program. The program involved both course work at Gillette College and on the job training at the mines. Ben and Anthony have been placed at Jacobs Ranch Mine and Paul and Steve at Cordero Rojo Mine. All four are currently engaged in the Electrical Skills Development Program. Hats off to all for a job well done!!

Six other employees have just completed their first year in the program. Dan Dunning, Mike Robbins, Don Roush, Kevin McCoy, Rod Ruston and Jason Purviance will begin their second year in August.

This upcoming school year will be the third year for this program. Congratulations to the following employees who were accepted into this year's program: Joe Latimer, Antelope Mine; Carter Hoffland, Cordero Rojo Mine; Jerrod Walker, Cordero Rojo Mine; Guy Boucher, Jacobs Ranch Mine; Rob Fazendin, Jacobs Ranch Mine; and Thomas Martinez, Jacobs Ranch Mine.

IMPORTANT INFORMATION

This publication includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts included in this publication, including, without limitation, those regarding Rio Tinto's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to Rio Tinto's products, production forecasts and mineral positions), are forward-looking statements. Forward-looking statements are based on numerous assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Rio Tinto, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Employees can "opt-out" of receiving their pay advice in the mail

Are you concerned about the amount of paper it takes to print and mail your pay advice every other week? Currently, we print over 2,400 pay advices for RTEA employees every pay period. Due to a recent software upgrade, we are now able to suppress printing the pay advices of individual employees who utilize direct deposit. We are asking RTEA employees to examine their needs and if a mailed paper copy is not necessary, they should "opt-out" of receiving a pay advice. In order to "opt-out," you will need to complete a form (available from your payroll representative), sign, date and return it to Payroll.

We are doing this for several reasons. If we can convince 50 percent of our employees to "opt-out," we will

- Decrease our costs by over \$15,000 per year in postage and envelopes.
- Decrease our use of paper and envelopes that end up in the trash.
- Keep your paper pay advice from getting lost or stolen.

The information on the website is slightly different from the pay advice you currently receive and may be adequate for loan documentation. If not, we can still print a pay advice for you.

To ensure that your payroll is correct, you can use the web site at <https://ivistakec.stillwatergroup.com>. Contact your payroll representative for website instructions on accessing your pay advice.

New hires and retirees July 1 - July 31

Antelope

Kuma Hatten
Ernie Herrera
Thayne Huseby
William Strohmeier

Colowyo

John Davidson
Franklin Eblen
David Hebert

Cordero Rojo

Dion Block
Phil Brouillette, III
Max Bruce
Bruce Foertsch
Sheri Hollenback
Robert Jacobsen
Alvin Lacombe, Jr.
David Macy
Juan Mendoza
Carl Moody
Ronnie Riley
Ernest Ritchie
Sidney Sandstrom
Shane Shreffler
Joe Sprigler

Jacobs Ranch

Jim Blaha
Elaine Fazendin
Dave Lems
Trent Mosset
Brett Reed
Jim Snyder
Justin Stevenson

RTEA

Don Adams
Kelley Bonnet
Connie McGinley
Oliver Puppel
Dale Sander
Brett Smith
Shane Welter

Spring Creek

Mike Christopherson
Cruz Hernandez
Stewart Orcutt
Buck Peterson

Retirees

Colowyo

Thomas Koran
Larry Fredrickson

Jacobs Ranch

Jim Jones

RTEA

Calvin Randall



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Community Matters

Sheridan YMCA supports today's youth

Rio Tinto Energy America (RTEA) has been a part of the Sheridan community for more than a decade. As part of our commitment, we work to build long-term sustainable relationships with our communities, focus our charitable contributions towards critical needs and ensure our communities are viable well into the future. Drug and alcohol abuse was identified as one of the top issues in the Sheridan Community Needs Assessment. In 2005, leaders pointed out that youth are affected by this issue and recommended involving young people in healthier activities. The Sheridan County YMCA is one program that has emerged as a leader in addressing this challenge.

In 2008 RTEA donated \$15,000 to the Sheridan YMCA "Celebrating Our Past...Creating Our Future" capital and endowment campaign. The campaign goal was to raise a total of eight million dollars in a five-year period.

"Rio Tinto Energy America played a key part in helping the YMCA accomplish our goal," Jay McGinnis, Sheridan County YMCA Executive Director stated. "RTEA's momentous gift gave our campaign the credibility and momentum needed to make our goal a reality."



RTEA's contribution assisted in capital improvements to the YMCA's current facilities, including the remodeling and expansion of the Health and Wellness areas of the Y, renovation of the Child Care and Youth Activity Center and helping to maintain repairs such as roof replacement. The renovation and repair work is anticipated to be completed in September.

In celebration of reaching their campaign goal, the Sheridan County YMCA will be holding an open house September 20-27, 2008. Tours of their newly renovated

Continued on page 6

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